

UTAH PUBLIC SERVICE COMMISSION

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RECEIVED

Via E-mail to psc@utah.gov and U.S. Mail

Utah Public Service Commission Heber M. Wells Building 160 E. 300 South Salt Lake City, Utah 84114

Re:

Mountain Sewer Docket #11-097-03

Ladies and Gentlemen:

I have been a Mountain Sewer customer since 2002 when I purchased a lot in a subdivision known as The Summit at Ski Lake. I constructed a house on that lot which was completed in November 2004.

I have seen a copy of the letter written to you by Jeff Larsen with respect to Docket Numbers 11-097-01, 02 and 03 and agree with everything Mr. Larsen has said. The entire Mountain Sewer and Lakeview Water situations need to be fully examined by the PSC before any rate increases are considered. If, after a full and complete examination, the Commission is still inclined to consider the rate increase applications of Mountain Sewer favorably, then I offer the following comments.

As you have heard from various sources, the prior owner of Mountain Sewer did not comply with PSC requirements to keep proper accountings or, in some instances, to charge proper hookup fees. The present owner of Mountain Sewer has filed for rate increases and for a special assessment. I certainly understand that operating costs may have increased and inflation has played a part and, that therefore, a reasonable increase in monthly rates may be warranted for Mountain Sewer. However, I would object strongly to any special assessment or interim rate increase for the purpose of replacing funds that Mountain Sewer should have applied (under its prior ownership) from collected revenues or revenues that it should have collected but did not.

It is my understanding that special assessments are very rarely approved for utilities in Utah. Before agreeing to a special assessment or an interim rate increase in lieu of a special assessment, PSC should weigh very carefully the criteria for such a rare and unusual action along with the refusal or inability of the company to provide accountings which show a need and justification for such an assessment. There are only 127 customers of Mountain Sewer who will have to absorb the economic impact of any such interim rate increase or special assessment. It seems to me a basic principal of fairness (if not law) that as between two parties (Mountain Sewer and its customers), the one who mishandled its funds and who did not keep accounting Utah Public Service Commission April 25, 2012 Page 2

records required by PSC should bear the burden caused thereby and not the innocent customers. Further, I believe that legal fees incurred with respect to acquisition of Mountain Sewer by the present owner and/or the formal complaint filed regarding service and billing problems should not enter the equation when any rate increase is considered.

Finally, I would ask that if and to the extent that the Commission does grant an increase in monthly rates that it be extended over a five (5) year period so that the impact to the customers is not so dramatic.

Thank you for your consideration.

Very truly yours.

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